GOVERNMENT OF INDIA
SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA

STARRED QUESTION NO:328
ANSWERED ON:09.08.2017
Misuse of Franchisee System under PMKVY
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Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

(a) whether the concept of franchisee system under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has been misused on a large scale and if so, the details thereof;

(b) whether thousands of fake students have been registered at these training centres in the States and if so, the details thereof, State-wise; and

(c) whether the Government has taken a decision to do away with the franchisee model for the training centres with regard to the Skill Development programmes?

Answer

(a) to (c) As per PMKVY (2016-20) guidelines, only first level franchising is allowed with lower priority and it would be gradually phased out.

However, in the course of implementation of the scheme it was found out that franchisee centers comprised of around 50% of the centers under the scheme. During monitoring visits, it was observed that the compliance to scheme guidelines was significantly lower in case of franchisee centers as compared to Training Provider Owned centers. In view of this, Ministry has decided to provide a pathway for all franchisees to become Training Providers, thus converting franchisee centers under PMKVY into Training Provider Owned centers. Further, no new franchising centre will be allowed under the scheme.